

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF DELTA)	CASE NO. 99-176-F
NATURAL GAS COMPANY, INC.)	

ORDER

On December 27, 1999, in Case No. 99-176, the Commission approved certain adjusted rates for Delta Natural Gas Company, Inc. ("Delta") and provided for their further adjustment in accordance with its gas cost adjustment ("GCA") clause.

On February 28, 2001, Delta filed its GCA to be effective from April 1, 2001 to April 30, 2001.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice proposes revised rates designed to pass on its expected increased wholesale gas costs to its customers. Delta's proposed expected gas cost ("EGC") is \$6.7641 per Mcf, excluding take-or-pay billings. The EGC is \$1.1934 per Mcf more than the previous EGC of \$5.5707.

2. Delta's notice sets out no current refund adjustment ("RA"). The total RA of .96 cent per Mcf includes refund adjustments from prior quarters.

3. Delta's notice sets out no current actual adjustment ("AA"). The total AA of 18.72 cents per Mcf reflects over and under-collections from previous quarters.

4. Delta's notice sets out a balance adjustment ("BA") of (.18) cent per Mcf to return \$3,175 of net over-collections which occurred as a result of previous adjustments.

5. These adjustments produce a gas cost recovery rate ("GCR") of \$6.9399 per Mcf, \$1.1934 per Mcf more than the previous GCR of \$5.7465.

6. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be approved for final meter readings on and after April 1, 2001.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for final meter readings on and after April 1, 2001.

2. Within 30 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 21st day of March, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-176-F DATED MARCH 21, 2001

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULES

AVAILABILITY

Available for general use by residential, commercial, and industrial customers.

RATES

	<u>Base Rate</u>	plus	<u>Gas Cost Recovery Rate</u>	equals	<u>Total Rate</u>
Residential					
Monthly Service Charge	\$ 8.00				
All Mcf	\$3.6224		\$6.9399		\$10.5623
Small Non-Residential					
Monthly Service Charge	\$ 17.00				
First 200 Mcf	3.6224		6.9399		\$10.5623
Next 800 Mcf	2.4000		6.9399		9.3399
Over 1,000 Mcf	2.0495		6.9399		8.9894
Large Non-Residential					
Monthly Service Charge	\$ 50.00				
First 200 Mcf	\$ 3.6224		\$ 6.9399		\$ 10.5623
Next 800 Mcf	2.0063		6.9399		8.9462
Next 4,000 Mcf	1.3190		6.9399		8.2589
Next 5,000 Mcf	.9190		6.9399		7.8589
Over 10,000 Mcf	.7190		6.9399		7.6589

Interruptible

Monthly Service Charge		\$ 250.00		
First 1,000 Mcf		\$ 1.6000	\$6.9399	\$8.5399
Next 4,000 Mcf		1.2000	6.9399	8.1399
Next 5,000 Mcf		.8000	6.9399	7.7399